

DEPOSIT AGREEMENT UNDER  
VIRGINIA CODE TITLE 6.1, CHAPTER 12  
(MONEY ORDER SALES)

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, between \_\_\_\_\_, hereinafter called "Licensee"; the Commissioner of Financial Institutions, Virginia State Corporation Commission, hereinafter called "Commissioner"; and \_\_\_\_\_, hereinafter called "Depository."

WITNESSETH:

WHEREAS, the Licensee has applied for or been granted a license to engage in the business of money order sales or money transmission, or both, in Virginia under Chapter 12 of Title 6.1 of the Virginia Code, and

WHEREAS, said law and regulations promulgated thereunder provide for the deposit, with an acceptable depository, of cash or certain government securities in lieu, in whole or in part, of the provision by licensees of a surety bond otherwise required, and

WHEREAS, the Licensee wishes the Depository to serve as custodian of cash and eligible securities under said law and regulations and pursuant to the provisions of this agreement, and

WHEREAS, the Commissioner has approved the Depository as qualified to act as such custodian hereunder,

NOW, THEREFORE, in consideration of the mutual provisions hereof, the parties agree as follows:

1. The Licensee shall, from time to time, deposit cash and eligible securities with the Depository in such amounts and types as may be approved in writing by the Commissioner.
2. The Depository shall hold and preserve all deposits made by the Licensee as a special deposit free of any lien, charge, right of set-off, credit or preference in connection with any claim of the Depository against the Licensee. Such deposits shall constitute a trust fund for the exclusive benefit of the Commonwealth of Virginia, purchasers and holders of the Licensee's money orders sold in Virginia and purchasers of the Licensee's money transmission services sold in Virginia.
3. The Licensee may not substitute new securities for those earlier deposited, withdraw securities previously deposited or terminate this agreement without the written approval of the Commissioner.
4. The Depository shall pay all interest or dividends earned on cash or securities deposited hereunder to or in accordance with the instructions of the Licensee, unless and until the Depository receives notice to the contrary from the Commissioner. The Depository shall deliver the corpus of deposits received hereunder to the Licensee only upon written direction of the Commissioner.
5. The Depository may terminate this agreement only upon 45 days written notice to the other parties. Upon such termination, the Depository shall deliver cash and securities on deposit to such person or persons as the other parties may jointly direct.
6. The costs and expenses of the Depository's performance under this agreement shall be paid by the Licensee in such amounts as may be agreed to between the Depository and the Licensee. Neither the Commissioner, the State Corporation Commission, nor the Commonwealth of Virginia shall be required to pay for any expenses incurred or services rendered by either the Depository or the Licensee hereunder.

7. The Depository shall, upon the written direction of the Commissioner, sell or otherwise dispose of any securities deposited hereunder and convert the same into cash and pay and deliver any securities and cash, or proceeds, to the Commissioner or such other person or persons as the Commissioner may direct.
8. The Depository shall not deliver the property deposited hereunder to any person, entity or authority not a party to this agreement unless ordered to do so by a court of competent jurisdiction. The Depository shall give prompt written notice to the Commissioner and to the Licensee of any demand or claim relating to the deposited property made by any person, entity or authority not a party to this agreement.
9. The Depository shall make written reports to the Commissioner, at such times as the Commissioner may direct in writing, setting forth the types and value, at the lower of par or market value, of all property held hereunder.
10. All approvals, notices, directions and reports shall be mailed or delivered to the appropriate party hereunder at the address which appears in this agreement, or at such other address as the party may have provided in writing to the other parties.
11. This agreement is governed by the laws of the Commonwealth of Virginia, and may not be modified except by writing executed by all the parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

Address of Licensee

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name of Licensee:

\_\_\_\_\_

By: \_\_\_\_\_

Name and Title of Officer

Address of Depository

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name of Depository:

\_\_\_\_\_

By: \_\_\_\_\_

Name and Title of Officer

Commissioner of Financial Institutions

By: \_\_\_\_\_

Dated: \_\_\_\_\_